



**CITY OF KIRKLAND**  
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## **MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Ellen Miller-Wolfe, Economic Development Manager  
Marilynne Beard, Assistant City Manager

**Date:** September 24, 2010

**Subject:** TOTEM LAKE SYMPOSIUM DEBRIEF

### **RECOMMENDATION:**

City Council receives a summary of and discusses the results of the Totem Lake Symposium and considers recommended next steps.

### **BACKGROUND DISCUSSION:**

The Totem Lake Symposium was held on September 16, 2010 at the Courtyard Marriott. The purpose of the symposium was to consult with industry experts regarding actions or catalysts needed to stimulate the revitalization of the Totem Lake business district. Forty five individuals participated in the symposium including business owners, property owners, developers, finance professionals and architects that either have a business interest in Totem Lake or have relevant experience and/or resources to contribute. In addition to the participants, the symposium was attended by six of the seven City Council members and City staff.

The three-hour meeting was structured to allow for a brief welcome and presentation about the history of the Totem Lake planning efforts and current uses. Following the introduction, the facilitator solicited comments from the large group regarding current perceptions of Totem Lake, followed by a discussion of its potential as a business district and Kirkland's "economic engine." The group segregated into six smaller groups to discuss action steps and priorities going forward. A full transcript is included as attachment A.

Several common themes emerged from the small groups as priorities including:

- Transportation systems and connectivity
- Zoning regulations and permit processes
- Lack of neighborhood amenities
- Concern in business community about the City Council willingness to support the redevelopment effort

Participants were sent a thank you letter from the City along with a list of participants and contact information. They will also receive a summary of the meeting notes and quarterly "bulletins" to keep them apprised of our progress.

The purpose of the study session is to discuss the summary findings with the City Council and for the Council to discuss the themes that emerged from the meeting. Over the coming months, staff will review and analyze the recommended actions and issues provided by the participants:

- Determine whether they are actions already underway
- Evaluate the actions for legality, feasibility and cost
- Determine which of the actions can have the greatest impact at this time
- Develop short and long term implementation strategies for consideration by the City Council

The summary on the following page reflects staff's initial analysis of the themes that emerged and shows an example of the types of items that may be included in an action plan to be adopted later in the year by the City Council. Before an action plan can be prepared, staff would like the opportunity to check in with Council at the study session and then review all of the input received at the symposium as noted above.

## **Summary**

At the study session, staff would like feedback from the City Council regarding:

1. Council's impressions of the symposium;
2. Whether staff is capturing the right themes; and
3. Any priorities the City Council would like to emphasize in an action plan.

## **DRAFT**

### **(Sample) Totem Lake Action Plan**

#### ***Key Themes:***

**The grid** – Streets, arterials, access to 405

**Zoning/Regulations** – Enterprise Zone concept

**Neighborhood Identity**– Amenities, parks, livable/walkable, not confusing

**Relationships Between the City and Business Community** – “Open for business” credibility – How will the City walk the talk?

#### ***Summary of Participant Comments and Actions:***

##### **Fix the Grid**

- Identify current Totem Lake related capital projects
- Reprioritize transportation capital projects to focus on Totem Lake
- Seek State and Federal dollars for transportation improvements
- Take actions to reduce confusion – Better signage, rename streets?

##### **Evaluate the Zoning/Regulations**

- Enterprise Zone Overlay concept – more flexible zoning. “Let the market decide.”
- Research examples from the Urban Land Institute (ULI) and other national models.
- University Place has some relevant actions that Kirkland should review
- Focus efforts on the individual Totem Lake quadrants, not simply the mall
- Convene meeting with developers and real estate professionals to examine the zoning in each quadrant and identify whether or not zoning changes are really needed. What actions (if any) does the current zoning prevent?

##### **Improve the neighborhood**

- Establish more amenities and a better “sense of place.”
- Identify current actions that will enhance the community such as the Off Leash Dog Park and the new Public Safety building
- Create connectivity – sidewalks and BNSF corridor rail and trail potential
- Stormwater improvements – Reprioritize SWM project dollars to focus on Totem Lake
- REET and Parks CIP reprioritization to focus on Totem Lake to create recreation opportunities

##### **Demonstrate Kirkland will act**

- Adopt a Totem Lake Action Plan with short and long term actions in October/November
- Evaluate all ideas from Totem Lake Symposium and implement what is possible
- Adopt a budget with reprioritized CIP focused on Totem Lake

- Identify potential reforms and improvements to permit processes in Totem Lake such as impact fees, expedited reviews, flexibility, and certainty
- Market what we currently do and what we will do in Totem Lake to revitalize it.
- Provide frequent updates, seek frequent feedback and ideas.
- Celebrate results

Meeting Notes

**What one or two words would you use to describe the Totem Lake Business District?**

Where is the lake?

Dead Mall

Regulations limit opportunity

No Vision

No Plan

Behind the Curve

Great Medical Facilities

No Amenities

Access-confusing (layout)

-Freeway can't go north on 116<sup>th</sup> I-405

-Street names (124<sup>th</sup>/124<sup>th</sup>)

Lack of eating facilities

Transportation grid inadequate

BNSF-mental barrier

Ugly

Stagnate

No Identity

Congestion

Undefined

Opportunity

Eternal Destiny- 'get it going'

Disconnected from itself

Poor Access

Pedestrian NOT friendly

Mishmash/Hodge Podge

Not Family Friendly

Behind the curve

## How would you describe Totem Lakes potential as Kirkland's "economic engine?"

Mixed Use  
Good demographics  
Vibrant  
Destination  
Inviting  
Mobility  
Education/Enrichment Activities  
Employment Center  
Pub Places  
Sustainable  
Housing  
New City Hall  
Incubator  
Community Center  
Entertainment  
Accessible  
Transportation hub  
Pro Development  
New King County Court  
Activity Center  
Recreation/Entertainment  
Library  
Medical Technology  
Retail hub to Serve All  
Accommodating  
Accessible  
Good Demographics  
Adequate parking  
Multi-Modal  
KC Court Bldgs  
Light Industrial squeezed out?  
Where is affordable housing, mixed use?  
Market driven use, not forced  
Position new development in context of what is there now  
Infrastructure-create sense of neighborhood

**Revitalize Totem Lake  
Table 1**

<b>Assets</b>	<b>Barriers</b>
Targeted invest infrastructure	Lack of public funds for infrastructure
Freeway access	Proscribed uses (not market driven)
Less neighborhood opposition	Density
Hospital	Economy
Urban Center Designation	Lack flexibility in master plan for mall
Good retail site at mall	Zoning
Great Staff	Need predictability-neighbors and process can 'kill' a project
	Trust between developers and city
	Planning/zoning process takes too long to be all done, to respond. Needs to be nimble
	Community acceptance of density (political will)
	Fear of change (neighborhoods)
	KC surface water regulations

Exempt pass-thru for developer mitigation  
Less process, more administrative review  
Area wide EIS  
Eliminate SEPA  
Planned action EIS  
Performance zoning  
Master plan needs to be flexible to respond to existing market  
Regional surface water solution  
Incentives  
Reduce cost of infrastructure (for developers)  
Different regulations for urban center  
Lift  
City needs to articulate commitment  
Proactive economic development Like Renton, get to Yes  
Transportation improvements should encourage people to live there

**Solutions:**

Economic:  
Need lift/TIF capability

Development Process:

- Less and faster process
- Create flexibility-performance zoning
- Different level of regulation for urban centers
- More nimble process-admin approval process
- Area wide EIS

#### Regulations:

- Reduce cost of infrastructure improvements placed on development & city
- Regional surface water solution

#### Political Will and Community/ Neighborhood Opposition:

- Proactive economic development like Renton and Tacoma
- Clarify role of public involvement in development process (no veto power)
- Citywide brand shift
- Proactive review of regulations



## Revitalize Totem Lake

### Group 2

Assets	Barriers
Fwy Access Location, Fwy Visibility Surrounding demographic Hospital- Employer LWTC RR-Transportation Potential Medical community established Lake Trader Joe's Guitar Ctr.	Street grid, fwy divides Access No public space to draw people Not ped/bike friendly Amenities-hotels, food (business clients) Mall not main hub it should be Transient/day population Market competition (other areas more attractive) Development code too rigid Totem Lake-name is barrier, not connected to Kirkland Perception Vision too rigid Stuck on vision-need to think big Liquidity-access to \$\$

### Codes Rigid

Let market drive, let go of pure retail/mall.

Master plan-street grid/city instead of mall

Eliminate urban center structure

Divide the mall property and allow multiple developers

Make it into a neighborhood, density

### Ped/Bike Friendly

Break up super blocks/mall

City buy land, take control

Market-set height and density and let market determine use and tenants.

Turbo resolutions

Spot redevelopment-zone according to developer interest (Red Bank, NJ).

Incentives-fee in lien, density, expedite

### **Perceptions**

Streetscapes-city investment

Broader discussion beyond mall-not just mall

Allow redevelopment to begin on mall site

Use for better medical office use

Improve gateway off freeway

Totem Lake: use as asset, public spaces

### **Access**

Connections over freeway.

Need arterials that are parallel to 405

Rename streets to remove conflict, (124<sup>th</sup>/124<sup>th</sup>)

Build more multi-modal options-Rail, Bus

Take advantage of transit hub

Lee Spingate-Bellevue Development

### **Capital-**

Tax exemption for alt housing (COK needs to use and encourage use)

Talk about timeframe phasing

Auto dealers untouchable? Allow better use of property

Above grade parking structure-city provided

Limit Design Review process to design

**Revitalize Totem Lake**  
**Table 3**

<b>Assets</b>	<b>Barriers</b>
Auto dealers Technical College Location-Freeway Hospital-Evergreen Quadrants-focus/supply (freeway) Demographics/People/Market Community-sees the potential, remembers what it was. Energetic Transit Center Trader Joe's (current Tenants) Lake-potential Current arterials that lead to Totem Lake-Lots of Options Everyone knows where Totem Lake is Potential Reboot of mall BNSF Railway corridor connects Renton to Woodinville Light Rail and Trail	DDR Inaction Geologic Costs-peat Confusing-Trader Joes for example Economy reset, demand down, rents down-bid/ask Vacancy rate 24% Tough to find anchor tenants "The feeling", tired and rundown Seattle and Bellevue empty, need to refill first City incremental cost of time and money-zoning, permits, fees Head Tax, employer related taxes Financing of private actions Zoning opportunities Signage, access Impact Fees People don't understand or see the vision. Not implementing the vision Build the Infrastructure "Totem Lake' too big Focus on Quadrants one at a time

**Master Plan Concept:**

Adapt to the plan as economy and needs change

**Counter/Permit Techs:**

Talk about impediment and hurdles. Help them get permits

**Rules and Regulations:**

Don't Create things now

"Eliminate the zoning"

Blank Slate

Get a quick yes or no and then a fast track to implementation

Performance based zoning

University Place in Tacoma-ULI Awards

Marketing-The reputation

**All Gov'ts**

State, region, city staff not keeping up with the times

Rules and regulations out of touch with flexibility needed today.

SWM regulations

-cost development can't absorb, so nothing is built

- Gov't share in cost

Staff attitude  
Tough to do business in Kirkland  
No real expectation to change  
"small town"  
"Kirkland is special" mindset

## **Solutions**

"Be Bold"

### Economy

Tax Reductions  
Tax increment financing

### Confusing

Quad Focus-solve it one at a time  
Quad Stakeholders  
Entrance to TL Mall from 124<sup>th</sup>  
Street grid-make the investment

### Infrastructure

Use of the HOV onramp/offramp in non-commute times  
Southbound 405 access from 116<sup>th</sup> and northbound  
Create amenities

- Totem Lake baseball field like Peter Kirk "original ballpark"
- Attract families
- Open Public Spaces

## Revitalize Totem Lake

**Table 4**

Assets	Barriers
<ul style="list-style-type: none"> <li>-Access to 405 <ul style="list-style-type: none"> <li>Retail</li> <li>Business –All</li> </ul> </li> <li>-employment=Job Growth</li> <li>-Totem Lake ripe for redevelopment, blank slate</li> <li>-Mix of businesses, all types of employers</li> <li>-Proximity/visibility to 405 <ul style="list-style-type: none"> <li>Vs. B Square!</li> </ul> </li> <li>-Ripe for redevelopment <ul style="list-style-type: none"> <li>Whole area, Totem Sq.</li> </ul> </li> <li>-Built for market place already here!</li> <li>-College-can be in conjunction(?) <ul style="list-style-type: none"> <li>26% overenrolled, 5k students ready for boom</li> </ul> </li> <li>-(tax increase financing)</li> <li>-Planned env. review</li> <li>Can it be done?</li> <li>EIS</li> <li>-Row is available and relatively inexpensive \$\$</li> </ul>	<ul style="list-style-type: none"> <li>Mindset “us”-too much process <ul style="list-style-type: none"> <li>Result Ignorant</li> <li><u>No One is Controlling this</u></li> <li>Let Market</li> </ul> </li> <li>-No Vision</li> <li>-Access to 405 <ul style="list-style-type: none"> <li>124-bad, no peds</li> <li>128-Good</li> </ul> </li> <li>Commerce                      circulation</li> <li>-Capitol flows along path of least resistance <ul style="list-style-type: none"> <li>Circulation Issues</li> <li>Traffic too-most rapid deployment(?)</li> </ul> </li> <li>-Parking requirements-get rid of</li> <li>-FAR needs to be higher <ul style="list-style-type: none"> <li>Should be 5, not 1</li> </ul> </li> <li>-Permitting-<u>Set perimeters</u> <ul style="list-style-type: none"> <li>&amp; listen to development community then GET OUT OF THE WAY</li> </ul> </li> <li>-Predictable</li> <li>-Issue permits-don't spend 3 years <ul style="list-style-type: none"> <li>Time is worst enemy of permitting</li> </ul> </li> <li>-Don't tell developer # of units, market does that. Just state size of bldg. <ul style="list-style-type: none"> <li>Let use be dictated by market</li> </ul> </li> <li>-Taxes-abatement Property Tax <ul style="list-style-type: none"> <li>Tacoma 10 Yr</li> <li>Exemption</li> <li>Get rid of head tax <ul style="list-style-type: none"> <li>Even if they work there, not located in Kirkland</li> </ul> </li> </ul> </li> <li>-residential resistance</li> <li>-Conflict between commercial/residential</li> </ul>

	<p>Impacts</p> <p>Compatibility</p> <p>Political</p> <p>-Mixed use Vs. <u>Flexible</u> use</p> <p>Remove use restrictions</p> <p>-Lack of internal circulation and infrastructure</p> <p>-Funding public/private</p> <p>-Environmental issues</p> <p>Take Action, Do it Now</p>
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## Solutions:

City Gov't mindset-lack of vision

- Keep it simple-framework
- What don't you want -1-
- Everything else is fair game
- Get upscale attitude-create potential
- New vision-As we talk about it
- Not control-hands off-over control
- Stops Creativity-Foster Creativity

Regulation-OPEN THE DOOR

- Predictable = simple
- Make it more affordable
- Planned action EIS
- Don't regulate use, just 'look' (not per unit) & structure residential and business
- (Can I do, what not to do)
- Remove up front fees-create problems for finance
- Fill in grid, use of public row
- No design review-set criteria
- Signage-visible= business

Funding-Develop a plan for gov't and business

- Compete with other jurisdictions. Be ready to be first.
- Look at Totem Lake Mall, find out why it didn't work
- Tax increase-financing
- Tax exemption (Prop Tax)
- Work with DOT-other agencies

- Head Tax-Get rid of it
- LID-TBD-specific to TL
- Prioritize Gov't funding towards goal. Example: Not Parks, but infrastructure

#### Circulation-Increase Mobility

- Fill in Grid-complete grid
- Joint circulation
- Figure out what it is then list of 'to-do' to make it happen-prioritize
- Reality check on model use
- Bus. Vs. Bike-vehicles
- Up overtime
- Don't constrict capacity
- BNRR-options beyond vehicles-multi use
  - Rail and Trail-Not just trail
  - Flexibility
- Look at bus only lanes-frees up viable alternative
- Pedestrian plan-like traffic plan.
  - Make it friendly to walk
- Signage-to get around

**Revitalize Totem Lake**  
**Table 5**

<b>Assets</b>	<b>Barriers</b>
Evergreen Hospital Access 128 <sup>th</sup> Visibility from Highway Central Geographic location Residents with traditional center -- live here, shop here Regulatory Environment -- Willing to learn Good inspection system City Willingness to invest Layout, size-parcelization	Elected official changeover Motivation to develop are different Economy/Market needs return on money Cost of NW Redevelopment is high Regulatory Environment City as advocate, cooperative not consistent among/with jurisdiction -Need flexible interpretation Surface street access needs rethink Wetlands, soils No Leadership for Totem Lake No Champion City not competitive Short term investments Aesthetics Abandoned look Lack of investments Mentality that city expects developer to pay

**Solutions:**

Road System

- Reconfigure 120<sup>th</sup>
- Build over, move roads
- Make streets attractive (120<sup>th</sup>)
- Restaurants, retail
- Bldgs need to face roads
- Move city hall, district
- Shared parking

City should be advocate for:

- Cultural Change
- Flexible with Code Interpretation
- Red Carpet Service.

Can't fix economy but...

- City can make it cheaper and easier for developer
- City can make it predictable, consistent
- City can promote area, leverage positives (Evergreen)
- Compatible, complimentary uses
- Need Critical mass, then will attract others, world class development
- LID
- Tax increment financing (TIF)



Totem Lake needs to be more attractive nationally  
Fed \$, Stimulus \$, grants  
City funding underwrites improvements so doesn't raise developers costs

Improve Regulatory Environment  
City Dept Directors and Developers together, how to make it attractive

Short term revenue (car dealership)  
How flexible can city be?

City 'red carpet' service  
Enterprise Zone  
City helps development to succeed

## Revitalize Totem Lake

### Group 6

Assets	Barriers
Wetlands	Wetland/Environmental issues
Hospital	Transit location(accessibility to the whole area)
Geographic location-405	Utilization
Demographic of local area	Marketing
Affordability of mfg space	Parking policy
Rent is reasonable	Convenient bus stops
BNSF Corridor	Economy
Compact area	Lack of connections between residential and commercial
Transit?	405 Integration
Geographic buffer between commercial and residential	Transportation Capacity and linkages (connections)
Pretty good listening process	Fragmentation of permitted uses
	Totem Lake identity
	Lack of public area
	Sales tax on construction
	Impact fees-City
	Sewer Capacity charges-KC
	Unpredictable, inflexible development timelines
	Stormwater regs and costs
	State
	KC
	Schools
	City
	Transit

**Solutions:**

## **Transit**

Education and marketing

Follow growth-convenience

Location of Park and Ride and stops in useful locations

Pedestrian connections to transit

Residential proximity to transit (affordable)

## **Transportation**

Connections

405 Integration

Capacity/linkage

Integration of multimodal-mobility plan specific to Kirklands opps/constraints

Promote/Improve walkability

Acquisition strategy to improve capacity w/improved traffic flow

Better streetscape

Ingress/egress 405 lobbying

Residential/Commercial Connector

## **Mix of Land Uses**

Better integration of uses throughout area/flexibility of codes

Look at Bel-Rd corridor planning

## **Costs**

Lobbying state on using their share of sales tax for infrastructure

-isolate new construction portion

City Policy to isolate new construction portion

Impact fees collected over time (Like capacity charge)

Impact fees balance between growth & barrier when too high

Citizens paying for infrastructure

Mitigate negative impact of sewer capacity charge on rents

Look at Totem Lake specific treatment plant

Alternative technology for infrastructure

## **Economy**

Make development more affordable

Promote businesses

### **Public Spaces**

Make Totem Lake an attraction (make wetlands work for the area)

BNSF corridor as asset

Adjacent properties to get linkage

## **What are the top priorities for revitalizing Totem Lake?**

### **Funding and Economic Actions:**

- Tax incentives
- Tax increment financing
- Dedicated taxes to Totem Lake or Businesses
- Funding Plan
- Lower Taxes
- Federal funding

### **Create Critical Mass:**

- World Class development attracts others

### **Infrastructure:**

- Circulation
  - Increase Mobility through investment in infrastructure (pedestrian/all modes, bike, bus, rail)
- Fill in Grid
- Make Investments in:
  - Amenities/Parks
  - Grid/Quads
  - 405 Access, 116<sup>th</sup> and 124<sup>th</sup>
  - Eliminate Confusion
- Multimodal plan
- Residential & commercial connection
- Acquisition strategy to improve capacity and traffic flow
- Develop street grid and inf. (pkg) to provide better access
- Public Space
  - Open Totem Lake and use (walk, etc)
  - Reconfigure 120<sup>th</sup>

### **Improve Image and Relationship between City and Businesses/Developers**

- Change the mindset
- No Control-stops creativity
- City Becomes Advocate
  - Cultural Change
  - Flexibility with code
  - Red Carpet Service
- Citywide Brand Shift
- "Open for Business"
- Create predictability
- Leadership

### **Zoning and Regulations/Permitting Process**

- Keep it simple and predictable
- Planned action EIS
- By making it easier it could offset other taxes (head tax)
- Enterprise Zone
- Incentives

Mix of Uses

Better integration of uses throughout area. (flexibility of codes)

More Administrative approval

Less process